
PROVIDING FOR CONSIDERATION OF THE BILL (H.R. 1231) TO AMEND THE OUTER CONTINENTAL SHELF LANDS ACT TO REQUIRE THAT EACH 5-YEAR OFFSHORE OIL AND GAS LEASING PROGRAM OFFER LEASING IN THE AREAS WITH THE MOST PROSPECTIVE OIL AND GAS RESOURCES, TO ESTABLISH A DOMESTIC OIL AND NATURAL GAS PRODUCTION GOAL, AND FOR OTHER PURPOSES.

May 10, 2011.—Referred to the House Calendar and ordered to be printed.

MR. REED, from the Committee on Rules, submitted the following

REPORT

[To accompany H. Res.]

The Committee on Rules, having had under consideration House Resolution____, by a record vote of 7 to 3, report the same to the House with the recommendation that the resolution be adopted.

SUMMARY OF PROVISIONS OF THE RESOLUTION

The resolution provides for consideration of H.R. 1231, to amend the Outer Continental Shelf Lands Act to require that each 5-year offshore oil and gas leasing program offer leasing in the areas with the most prospective oil and gas resources, to establish a domestic oil and natural gas production goal, and for other purposes, under a structured rule. The resolution provides one hour of general debate equally divided and controlled by the chair and ranking minority member of the Committee on Natural Resources. The resolution waives all points of order against consideration of the bill. The resolution provides that the amendment recommended by the Committee on Natural Resources now printed in the bill shall be considered as adopted and that the bill, as amended, shall be considered as read. The resolution waives all points of order against provisions in the bill, as amended. The resolution makes in order only those amendments printed in this report. Each such amendment may be offered only in the order printed in this report, may be offered only by a Member designated in this report,

shall be considered as read, shall be debatable for the time specified in this report equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. All points of order against the amendments printed in this report are waived. Finally, the resolution provides one motion to recommit with or without instructions.

EXPLANATION OF WAIVERS

The resolution waives all points of order against consideration of the bill. This includes a waiver of clause 3(c)(4) of rule XIII, which requires the inclusion of general performance goals and objectives in a committee report.

Although the rule waives all points of order against provisions in the bill, as amended, the Committee is not aware of any points of order against its provisions. The waiver is prophylactic in nature.

Although the resolution waives all points of order against the amendments printed in this report, the Committee is not aware of any points of order against the amendments and therefore the waiver is prophylactic in nature.

COMMITTEE VOTES

The results of each record vote on an amendment or motion to report, together with the names of those voting for and against, are printed below:

Rules Committee Record Vote No. 92

Motion by Mr. McGovern to report an open rule. Defeated: 3-6

Majority Members	Vote	Minority Members	Vote
Ms. Foxx.....	Nay	Mr. McGovern.....	Yea
Mr. Bishop of Utah.....	Nay	Mr. Hastings of Florida...	Yea
Mr. Woodall.....	Nay	Mr. Polis.....	Yea
Mr. Nugent.....	Nay		
Mr. Scott of South Carolina.....	Nay		
Mr. Dreier, Chairman.....	Nay		

Rules Committee Record Vote No. 93

Motion by Mr. McGovern to amend the rule to make in order and provide the appropriate waivers for amendment #20, offered by Rep. Boswell (IA), which would require the Secretary of Interior to include requirements for any person awarded a lease under the program to give preference to hiring veterans for activities under the lease. Defeated: 3-6

Majority Members	Vote	Minority Members	Vote
Ms. Foxx.....	Nay	Mr. McGovern.....	Yea
Mr. Bishop of Utah.....	Nay	Mr. Hastings of Florida...	Yea
Mr. Woodall.....	Nay	Mr. Polis.....	Yea
Mr. Nugent.....	Nay		
Mr. Scott of South Carolina.....	Nay		
Mr. Dreier, Chairman.....	Nay		

Rules Committee Record Vote No. 94

Motion by Mr. McGovern to amend the rule to add a new section at the end of rule to provide for the immediate consideration, upon the adoption of the rule, of a bill consisting of the text of amendment #7, offered by Rep. McGovern under an open rule. Defeated: 3-6

Majority Members	Vote	Minority Members	Vote
Ms. Foxx.....	Nay	Mr. McGovern.....	Yea
Mr. Bishop of Utah.....	Nay	Mr. Hastings of Florida....	Yea
Mr. Woodall.....	Nay	Mr. Polis.....	Yea
Mr. Nugent.....	Nay		
Mr. Scott of South Carolina.....	Nay		
Mr. Dreier, Chairman.....	Nay		

Rules Committee Record Vote No. 95

Motion by Mr. Hastings of Florida to amend the rule to make in order and provide the appropriate waivers for amendment #19, offered by Rep. Hastings (FL), which would prohibit any lease-sale from going forward where either the National Academy of Science or Intergovernmental Panel on Climate Change has determined that use by human beings of any non-renewable resource expected to be extracted from the subject property contributes to global climate change. Defeated: 3-7

Majority Members	Vote	Minority Members	Vote
Ms. Foxx.....	Nay	Mr. McGovern.....	Yea
Mr. Bishop of Utah.....	Nay	Mr. Hastings of Florida....	Yea
Mr. Woodall.....	Nay	Mr. Polis.....	Yea
Mr. Nugent.....	Nay		
Mr. Scott of South Carolina.....	Nay		
Mr. Webster.....	Nay		
Mr. Dreier, Chairman.....	Nay		

Rules Committee Record Vote No. 96

Motion by Ms. Foxx to report a structured rule. Adopted: 7-3

Majority Members	Vote	Minority Members	Vote
Ms. Foxx.....	Yea	Mr. McGovern.....	Nay
Mr. Bishop of Utah.....	Yea	Mr. Hastings of Florida...	Nay
Mr. Woodall.....	Yea	Mr. Polis.....	Nay
Mr. Nugent.....	Yea		
Mr. Scott of South Carolina.....	Yea		
Mr. Webster.....	Yea		
Mr. Dreier, Chairman.....	Yea		

SUMMARY OF AMENDMENTS MADE IN ORDER

1. Hastings (WA): **Manager's Amendment** Would make technical numbering corrections to section 2 of the bill. (10 minutes)
2. Connolly (VA), Scott (VA), Moran (VA): Would clarify that new offshore drilling would not conflict with military operations. (10 minutes)
3. Markey (MA): Would require that new 5-year leasing plans require that companies bidding on new leases first renegotiate any royalty-free leases they own; thus raising more than \$2 billion over 10 years. (10 minutes)
4. Keating (MA): Would require the Secretary to make public information about the lessee's executive bonuses from the most recent quarter. (10 minutes)
5. Tsongas (MA): Would require that all applicants for a drilling permit under a lease issued under H.R. 1231 would have to submit a worst-case scenario oil spill containment and clean-up plan. (10 minutes)
6. Brown (FL): Would make permanent the current moratorium on drilling in the eastern gulf of Mexico that expires in 2022. (10 minutes)
7. Thompson, Mike (CA): Would clarify that the legislation does not allow for oil and gas drilling on the northern coast of California. (10 minutes)
8. Inslee (WA): Would require the Washington state Governor and legislature approve any leasing of the Outer Continental Shelf off of Washington state. (10 minutes)

TEXT OF AMENDMENTS MADE IN ORDER

1. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE
HASTINGS OF WASHINGTON OR HIS DESIGNEE, DEBATABLE
FOR 10 MINUTES

**AMENDMENT TO H.R. 1231, AS REPORTED
OFFERED BY MR. HASTINGS OF WASHINGTON**

Page 3, line 10, strike “(4)” and insert “(5)”.

Page 4, line 6, strike “(5)” and insert “(6)”.



2. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE
CONNOLLY OF VIRGINIA OR HIS DESIGNEE, DEBATABLE FOR 10
MINUTES

AMENDMENT TO H.R. 1231, AS REPORTED

OFFERED BY MR. CONNOLLY OF VIRGINIA, *Mr Scott of VA*

Page 3, line 12, insert “, except in locations that would interfere, conflict with, or impede operations of the Armed Forces,” after “conduct lease sales”.



3. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE
MARKEY OF MASSACHUSETTS OR HIS DESIGNEE, DEBATABLE
FOR 10 MINUTES

AMENDMENT TO H.R. 1231, AS REPORTED**OFFERED BY MARKEY OF MASSACHUSETTS**

Page 4, line 19, strike the closing quotation marks and the second period, and after line 19 insert the following new paragraph:

1 “(7) ELIGIBILITY FOR NEW LEASES AND THE
2 TRANSFER OF LEASES.—

3 “(A) ISSUANCE OF NEW LEASES.—

4 “(i) IN GENERAL.—In each oil and
5 gas leasing program under this section, be-
6 ginning with the 2012-2017 5-year pro-
7 gram, the Secretary of the Interior shall
8 specify that the Secretary will not accept
9 bids on any new leases offered pursuant to
10 this Act from a person described in para-
11 graph (2) unless the person has renegoti-
12 ated each covered lease with respect to
13 which the person is a lessee, to modify the
14 payment responsibilities of the person to
15 require the payment of royalties if the
16 price of oil and natural gas is greater than
17 or equal to the price thresholds described
18 in clauses (v) through (vii) of section

1 8(a)(3)(C) of the Outer Continental Shelf
2 Lands Act (43 U.S.C. 1337(a)(3)(C)).

3 “(ii) PERSONS DESCRIBED.—A person
4 referred to in clause (i) is a person that—

5 “(I) is a lessee that—

6 “(aa) holds a covered lease
7 on the date on which the Sec-
8 retary considers the issuance of
9 the new lease; or

10 “(bb) was issued a covered
11 lease before the date of enact-
12 ment of this Act, but transferred
13 the covered lease to another per-
14 son or entity (including a sub-
15 sidiary or affiliate of the lessee)
16 after the date of enactment of
17 this Act; or

18 “(II) any other person that has
19 any direct or indirect interest in, or
20 that derives any benefit from, a cov-
21 ered lease.

22 “(iii) MULTIPLE LESSEES.—

23 “(I) IN GENERAL.—For purposes
24 of clause (1), if there are multiple les-
25 sees that own a share of a covered

1 lease, the Secretary may implement
2 separate agreements with any lessee
3 with a share of the covered lease that
4 modifies the payment responsibilities
5 with respect to the share of the lessee
6 to include price thresholds that are
7 equal to or less than the price thresh-
8 olds described in clauses (v) through
9 (vii) of section 8(a)(3)(C) of the Outer
10 Continental Shelf Lands Act (43
11 U.S.C. 1337(a)(3)(C)).

12 “(II) TREATMENT OF SHARE AS
13 COVERED LEASE.—Beginning on the
14 effective date of an agreement under
15 subclassen (I), any share subject to the
16 agreement shall not constitute a cov-
17 ered lease with respect to any lessees
18 that entered into the agreement.

19 “(B) TRANSFERS.—A lessee or any other
20 person who has any direct or indirect interest
21 in, or who derives a benefit from, a covered
22 lease shall not be eligible to obtain by sale or
23 other transfer (including through a swap, spin-
24 off, servicing, or other agreement) any new
25 lease made available in an oil and gas leasing

1 program under this section, or the economic
2 benefit of such a new lease, unless the lessee or
3 other person has—

4 “(i) renegotiated each covered lease
5 with respect to which the lessee or person
6 is a lessee, to modify the payment respon-
7 sibilities of the lessee or person to include
8 price thresholds that are equal to or less
9 than the price thresholds described in
10 clauses (v) through (vii) of section
11 8(a)(3)(C) of the Outer Continental Shelf
12 Lands Act (43 U.S.C. 1337(a)(3)(C)); or

13 “(ii) entered into an agreement with
14 the Secretary to modify the terms of all
15 covered leases of the lessee or other person
16 to include limitations on royalty relief
17 based on market prices that are equal to or
18 less than the price thresholds described in
19 clauses (v) through (vii) of section
20 8(a)(3)(C) of the Outer Continental Shelf
21 Lands Act (43 U.S.C. 1337(a)(3)(C)).

22 “(C) DEFINITIONS.—In this paragraph—

23 “(i) COVERED LEASE.—The term
24 ‘covered lease’ means a lease for oil or gas
25 production in the Gulf of Mexico that is—

1 “(I) in existence on the date of
2 enactment of this Act;

3 “(II) issued by the Department
4 of the Interior under section 304 of
5 the Outer Continental Shelf Deep
6 Water Royalty Relief Act (43 U.S.C.
7 1337 note; Public Law 104–58); and

8 “(III) not subject to limitations
9 on royalty relief based on market
10 price that are equal to or less than
11 the price thresholds described in
12 clauses (v) through (vii) of section
13 8(a)(3)(C) of the Outer Continental
14 Shelf Lands Act (43 U.S.C.
15 1337(a)(3)(C)).

16 “(ii) LESSEE.—The term ‘lessee’ in-
17 cludes any person or other entity that con-
18 trols, is controlled by, or is in or under
19 common control with, a lessee.

20 “(iii) NEW LEASE.—The term ‘new
21 lease’ means a lease issued in a lease sale
22 under this Act.

1 “(iv) SECRETARY.—The term ‘Sec-
2 retary’ means the Secretary of the Inte-
3 rior.”.



4. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE
KEATING OF MASSACHUSETTS OR HIS DESIGNEE, DEBATABLE
FOR 10 MINUTES

AMENDMENT TO H.R. 1231

OFFERED BY Mr. Keating

Page 4, line 19, strike the closing quotation marks and the second period, and after line 19 insert the following new paragraph:

1 “(7) DATA REGARDING BONUSES PROVIDED TO
2 EXECUTIVES.—In each oil and gas leasing program
3 under this section, the Secretary shall include re-
4 quirements under which the Secretary shall make
5 available to the public data provided by each lessee
6 under the program with respect to the bonuses pro-
7 vided to the executives of the lessee from the most
8 recent quarter.”.



5. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE
TSONGAS OF MASSACHUSETTS OR HER DESIGNEE, DEBATABLE
FOR 10 MINUTES

**AMENDMENT TO H.R. 1231, AS REPORTED
OFFERED BY MS. TSONGAS OF MASSACHUSETTS**

Page 4, strike the closing quotation marks and second period at line 19, and after line 19 insert the following:

1 “(7) WORST-CASE CONTAINMENT AND CLEAN-
2 UP PLAN REQUIRED.—The Secretary shall include,
3 in each 5-year oil and gas leasing program, a re-
4 quirement that each applicant for a permit to drill
5 under a lease issued in a lease sale under the pro-
6 gram must include a plan for containment and
7 clean-up of a worst-case oil and gas discharge sce-
8 nario in activities conducted under the permit, if
9 issued.”.



6. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE BROWN
OF FLORIDA OR HER DESIGNEE, DEBATABLE FOR 10 MINUTES

Corrine Brown 10
M.C.

AMENDMENT TO H.R. 1231
OFFERED BY MS. BROWN OF FLORIDA

Page 4, line 19, strike the closing quotation marks
and the second period, and after line 19 insert the fol-
lowing new paragraph:

1 “(7) MAKING MORATORIUM IN THE EASTERN
2 GULF OF MEXICO PERMANENT.—The Secretary shall
3 not make available for leasing in any oil and gas
4 leasing program under this section any area referred
5 to in section 104(a) of the Gulf of Mexico Energy
6 Security Act of 2006 (title I of division C of Public
7 Law 109–432; 43 U.S.C. 1331 note).”.



7. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE THOMPSON OF CALIFORNIA OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

**AMENDMENT TO H.R. 1231, AS REPORTED
OFFERED BY MR. THOMPSON OF CALIFORNIA**

Page 4, line 19, strike the final closed quotation mark and the following period.

Page 4, after line 19, insert the following new subparagraph:

- 1 “(C) Notwithstanding subparagraph (A), the
- 2 Secretary may not include in any oil and gas leasing
- 3 program under this paragraph any lease sale in the
- 4 Northern California Planning Area.”.



8. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE INSLEE
OF WASHINGTON OR HIS DESIGNEE, DEBATABLE FOR 10
MINUTES

**AMENDMENT TO H.R. 1231, AS REPORTED
OFFERED BY MR. INSLEE OF WASHINGTON**

Page 4, line 19, strike the closing quotation marks and the second period, and after line 19 insert the following new paragraph:

1 “(7) WASHINGTON STATE APPROVAL RE-
2 QUIRED.—Under this section, the Secretary shall not
3 make available for leasing for exploration, develop-
4 ment, and production of oil and natural gas any
5 area of the outer Continental Shelf off the coast of
6 Washington unless such leasing is approved by the
7 Governor and legislature of the State of Wash-
8 ington.”.

